Executive Director Report

INK Board Members:

There are two sections to this report. The first section covers a brief update on two grant recipient requests and status of the current grants along with a brief description of my meeting in Wisconsin.

The second section is a business planning section and is provided as precursor to our conversation next week. Due to the nature of the topic, the narrative is much longer than I would normally like to submit via an Executive Director report. Subsequent reports will more closely follow the format of the grants update section.

Grants Update:

KDOR – Kansas Apportioned International Registration (KAIR) Feasibility
- $266,000 issued 1/31/07
- Grant Status: Completed

Dept of Administration – Division of Purchases – Purchasing System Feasibility
- $90,000 issued 1/11/06
- Grant Status: Completed

Historical Society – Kansas Memory
- Recipient request to extend the grant expiration date to September 30, 2007. Current expiration date: 12/31/06
  - Reason: Graduate assistant hired to perform the work was not able to devote as much time to project.
- Remaining Grant Balance: $45,842.95
- ED Recommendation: Extend deadline to December 2007 to allow ample time to complete project and align deadline with normal grant cycles.

Kansas Public Television Stations – Statehouse Spotlight
- Recipient request to reallocate grant funds from personnel to hardware and equipment.
  - Reason: Personnel will not cost as much as anticipated, would like to use a portion to improve the statehouse studio aesthetics.
- Remaining Grant Balance: $120,750.00 (no expenditures have been paid to date)
- Approved Grant Allocation:
  - Equipment: $65,750
  - Personnel: $45,000
  - Promotion: $10,000
- Amount requested to reallocate: $10,000 from Personnel to Equipment
- ED Recommendation: Approve their request to reallocate funds away from personnel to equipment.

Grants outstanding	Balance
• Kansas Association of Counties: Kansas GIS – Phase II	$52,500
• Kansas Inc. – Indicators for the Kansas Economy (IKE)	$13,731
• KDOR – VIPS Feasibility Study	$274,250
• Board of Tax Appeals – Case Management System	$314,920
	$655,401

Wisconsin Trip

Allen Haverkamp of the KDOT and fellow member of the Identity Management Group and I attended a meeting in Madison, Wisconsin on January 25th at the invitation of the Wisconsin state government. Also attending was the state of Illinois. The purpose of the meeting was for the benefit of the Wisconsin attendees as they embark upon their journey into the Public Key Infrastructure (PKI) or digital certificate world. They were interested in cross-state collaboration, lessons learned and how to capitalize on the upfront expenditures other states have already made. Both Kansas and Illinois had the opportunity to describe their environment, applications being used and procedural documentation. Clear indication was made that Kansas will be further contacted as they move farther down their timeline. I believe the meeting was beneficial to all.

Attendees:
- Mark Saunders: DOA Legal Counsel
- Donna Sorenson: DOA Legal Assistant
- Amy Moran: DOA Project Leader
- Mike Kernats: DOT Legal Counsel
- Andrew Kottke: DOT Engineering Requirements
- Jay Jaeger: DOT Technical
- Joe Renville: DNR Legal Counsel
- William Black: DRL Legal Counsel
- Mike Lettman: DOA Technical Security
- Oskar Anderson: DOR IT Director
- Mark Zimmer: DOR Legal Counsel
- Tom Aten: DNR Business Automation

- Mark Anderson: Illinois PKI Manager
- Gordon Wilson: Illinois PKI Administrator

Business Planning Process

Although a more detailed discussion will take place at the board meeting, the bullet form of my proposed business planning process follows:

- Establish INK's Vision
- Review Application Achievement Rating
  - Identify areas of expansion or improvement
  - Determine proposed strategic initiatives and goals
- Perform Board Member presentations on proposed initiative expansion and needs
- Perform State of Kansas presentation of proposed initiative expansion and needs
  - Legislative, Executive and Judicial Chief Information Technology Officers
  - Chief Information Technology Architect
  - Agencies, if requested or required
- Develop Annual Business Plan
  - Detailed work plan of planned areas of development with timelines
- Perform monthly meetings and review progress reports
  - Network Manager report monitors progress toward business goals set out in business plan
  - Annually review Application Achievement Rating

Overview

I wanted to provide an overview of my view of the overall planning and implementation of the INK planning process, the involvement of INK's major stakeholders and state planning entities and lastly to explain the documents attached to the board meeting materials email and the purposes they serve. Although INK has performed some of the steps below, this narrative is delivered as if none were developed.

INK must determine its vision of the methods and types of services is wishes to be able to offer in the future and when it should be accomplished. This exercise can be difficult especially for an IT organization where technology advancement cycles continue to shorten every year. This process often requires professional and sometimes technical expertise to facilitate. However, once determined, the environment necessary to support the vision must be identified. In other words, what will it take to make that vision come true, what will be needed to support the vision, i.e., personnel, infrastructure, policy, etc. INK must then look at what is available currently and determine what strategic steps and timeline are required to accomplish the requirements to attain the vision. A strategic plan encapsulates those desires and requirements and sets them upon a general timeline for completion. Generally, strategic plans encompass several years, and input should be gained from many of the stakeholders to INK.

Each year, individual business plans are developed and approved by the INK Board to identify the specific work to be performed to support the progressive accomplishment of the vision. The business plan should be developed in cooperation with our partners, while supporting INK's internal statutory, strategic and financial requirements of our organization and our Network Manager. On a monthly basis, the contents of the Network Manager and Executive Director reports should provide evidence of progress to support the approved business plan.

INK has selected as their Network Manager a wholly owned subsidiary of NIC, Inc. whose organizations in nineteen other states provide a unique ability to intellectually collaborate across state borders. With KIC/NIC, together with the state agency to state agency positional relationships, INK has an enhanced opportunity to perform cross-border inter-operative applications.

It is important to note that throughout the planning and implementation process, we must be cognizant of the Network Manager's required set of deliverables placed upon them by their own board of directors. Net Profit goals, expense restrictions and resource allocation must be considered and supported. It is vital the Network Manager be financially healthy and resource strong for success to be captured by all parties.

Ultimately, the future of INK will depend on its ability to provide access to all publicly available government information and services and to provide value-added services to the citizens, businesses and other government entities worldwide. This access will require collaborative cooperation with our agency partners, and a keen understanding and continued close communication with our end-user customers. This cross-collaboration is manifest in the INK board membership itself. Bringing the users of the system together with the suppliers of the information was the founding principle of the positions and representatives for the board.

Review Application Development Objective Achievement Rating
The first report attached is the Application Development Objective Achievement Rating. The achievement rating report provides a high-level view of the applications and services to identify areas in which growth or presence could be pursued. The achievement rating report grades the level of performance of every INK application to rate the anticipated performance of an application to the INK enabling statute based upon objective rating criteria.

The statute describes five statutory objectives:
- Increase Citizen/Business access to government information and services
- Be a self-funded organization
- Continue to expand the quantity and quality of the information
- Explore new access technologies
- Be in alignment with state initiatives

In 2002, the INK Board added three additional strategic objectives:
- Applications must be extensible (reusable)
- Applications must be integrated (complete transaction performed)
- Applications must have a high usage potential (create applications for the largest audiences or have a high potential of adoption)

The achievement application rating report categorizes the applications into logical groups to provide a score by category or development theme. The INK Board has determined nine development themes:

- Kansas Business Center (Commerce/Economic Development)
- Legislative (e-Democracy)
- Transportation
- Medical Services (Health & Human)
- Environmental (Agriculture)

- Public Safety
- Judicial
- Education
- Infrastructure

The achievement rating report provides the ability to evaluate the performance of the applications individually or collectively to identify those areas where further diversification may be desired or warranted.

Board Member Presentations
It is my understanding the Secretary of State's office presented their 2007-2008 development goals to the KIC staff recently. This precedent could be extended to the full membership of the board. A presentation should be invited from every member. What plans are there for continued expansion of INK services from our agency partners? Our private side members could present on the services their constituencies are requesting and/or how INK can assist with communicating the services already offered from which they would benefit.

State of Kansas Presentations
As stated above, our statute requires INK to align its development focus with the State and its IT planning. It is important to determine how INK can assist in achieving the state's goals, while expanding the portal and its services. INK should understand the current and long-term goals of each of the respective branches of government and determine if there are opportunities for INK to assist or lead. Under Kansas IT Governance, the Information Technology Executive Council adopts IT policy for all three branches of state government. The state's Chief Information Technology Architect (CITA) is staff to the ITEC and should be invited to provide input from the state's Strategic Information Management Plan (SIM Plan). The CITA is responsible to ITEC for the development and maintenance the SIM Plan and INK should be a strong supporter and an integral part of it. Each of the state's three branches of government, Executive, Legislative and Judicial has a Chief Information Technology Officer (CITO). Each of the CITO's should be invited to provide input from branch and reporting agency perspective.

Annual Business Plan
From these conversations and discussions an Annual Business Plan can be developed. The plan should detail the steps that will be required to satisfy the INK vision for the current year. I have attached a proposed business plan template with the documentation. The information contained within the proposed plan is from subsequent years and is used for content demonstration purposes. The business plan template satisfies the contractual requirements, as set out by the Network Manager contract. The business plan must include a detailed budget projection supplied by the Network Manager which projects the annual forecast for revenues and cost of sales for existing and projected new applications. The Executive Director completes the portion of the budget pertaining to INK Board expenses and grant allocations. The annual business plan, together with the annual budget would be approved by the INK Board.

It is important to note that a large part of our business is walk-in requests and the business plan must accommodate this requirement. In other words, state agencies will continue to approach the portal for development assistance that may not be a part of the INK strategy or annual business plan. Consideration must be given to accommodate those requests when possible. All available maintenance and development hours available to the Network Manager should not be consumed by strategic initiatives.

Impromptu agency requests will continue to occur and we need to do our best to accommodate them. Agency requests will always be a major part of our development and portal expansion cycle.

The majority of the discussions with the state can be performed by the Network Manager and Executive Director working together to present an agreed upon proposal in the form of an Annual Business Plan for the INK Board review and approval. Incoming service requests for development can be approved by the Executive Director. Contracts and pricing should be approved by the INK Board. If less frequent meetings are desired, a subcommittee of the board may meet monthly to review and if the application supports the business plan, approve the contracts. Contracts and service requests falling outside the business plan objectives may be referred to the full board for discussion.

Monthly Meetings and Reports
The Annual Business Plan is monitored by the board through the monthly reporting mechanism of the Network Manager and Executive Director reports. All successes and delays would be identified in the monthly reports.

I have also attached a template for the Network Manager report. It was adapted from Montana, also a NIC state, and captures the requirements of the Network Manager contract and provides evidence of support of the Annual Business Plan on a monthly basis.

I believe the future prospects of INK are very, very bright. The above plan provides input from many of the major stakeholders to INK and planning entities in the state. There are still many challenges and opportunities for INK to solve and explore to accomplish our mission to make the lives of the citizens and businesses of Kansas easier, safer and more efficient than they are today.